

2001 MAY 31 A 10:34

STATE OF OHIO

STATE EMPLOYMENT RELATIONS BOARD

In The Matter of Fact Finding)	SERB Case No. 00-MED-10-1251
)	
between)	
)	
TRUCK DRIVERS, CHAUFFEURS)	
and HELPERS, LOCAL 100, IBT)	
)	
Employee Organization,)	FACT FINDING REPORT
)	
and)	Mitchell B. Goldberg,
)	Appointed Fact Finder
CITY OF FOREST PARK, OHIO,)	
)	
Employer.)	Date: May 29, 2001

APPEARANCES:

For the Union:

Troy Stapleton, Business Representative
Russ Sage, Steward
Rick Rauen, Alternate Steward

For the Employer:

Paul R. Berninger, Esq., Attorney.
David Buesking, Public Works Director
Tye Smith, Human Resources Director

I. INTRODUCTION

The undersigned, Mitchell B. Goldberg, was appointed as the Fact Finder for the subject case pursuant to the regulations of the Ohio State Employment Relations Board on December 1, 2000. The parties mutually agreed to extend the fact-finding period to January 31, 2001, February 28, 2001 and April 30, 2001 and they scheduled a hearing for May 21, 2001. Thereafter, a hearing was held on May 21, 2001 at the Municipal Center in Forest Park, Ohio. The parties agreed that the Fact-Finding Report is to be issued on May 29, 2001.

Each of the parties appeared with representatives and witnesses at the hearing. The principal representative for the Union was Troy Stapleton and the principal representative for the City was Paul Berninger.

Prior to the hearing, each of the parties submitted Pre-Hearing Statements pursuant to Section 4117-9-05 of the Rules of the State Employment Relations Board. Included in the Statements was a general description of the employees in the Bargaining Unit. The Unit consists of ten employees who work in the following classifications: Equipment Operator; Equipment Mechanic; Maintenance Technician; Maintenance Worker; Maintenance Specialist; Parks and Grounds Keeper; and Parks and Grounds Specialist.

Consideration in this Report was given to all of the criteria listed in Rule 4117-9-05 (J) of SERB.

III. MEDIATION

There were five issues originally in contention between the parties; Article XV - Sick Leave; Article XVIII - Longevity Pay; Article XIX - Health Insurance; Article XX - Hours of Work; and Appendix 1 - Salary Schedule. All of the above issues with the exception of two issues, retro activity for the payment of wage increases, and the amount to be contributed by members toward monthly health insurance premiums were resolved between the parties with the assistance of mediation efforts by the undersigned. The resolution of each issue was memorialized by the execution of written temporary agreements, all of which are to be incorporated herein as part of this report or award.

IV. UNRESOLVED ISSUES

ISSUE 1. ARTICLE XVIII, INSURANCE.

The City proposes increasing the members' participation in the rising costs of health insurance by continuing to maintain caps or limits upon the City's contributions toward the monthly premiums. At the expiration of the contract, the members were paying approximately 13% of the monthly premium for family coverage and approximately 16% of the monthly premium for single coverage. The City originally proposed the following limits upon its monthly contributions for each year of a three year contract: Effective upon ratification, \$518.05 family, \$182.25 single; effective April 1, 2002, \$543.95 family, \$191.99 single; and effective April 1, 2003, \$571.15 family, \$201.59 single. During the negotiations which took place during the mediation process, and in consideration of the economic package finally agreed upon, the City's proposal on this issue was changed. The City now proposes that the members pay 10% of the monthly premium over the three year contract and the City will pay 90%. The Union proposes that the members' contribution be limited to \$50.00 per month for family coverage and \$25.00 per month for single coverage regardless of any increases in premiums.

The City believes that it is important to tie the members' contribution to a fixed percentage instead of a dollar limit so that the City's contribution will increase at the same rate as the members. If the economic burden is equally shared when costs rise, the members will be more concerned about controlling costs. They will be less concerned if their costs remain constant while the City is paying for increases. The percentage formula will encourage both parties to work together to control rising costs. It is the City's stated goal to eventually require all of its represented work force, including its safety forces to contribute on a percentage basis.

The Union believes that its members should have their contributions fixed during the contract term as a matter of economic security for the following reasons: (1) They have very little influence or input into the cost of health insurance. They participate along with all other City employees in providing information for the purchase of various plans, but their small force of ten employees among the total work force has little impact on the actual purchasing decisions. Under the City's proposal, the higher paid employees could choose more expensive plans and the members would be forced to pay more as a percentage of increased premiums when they cannot afford the obligations. (2) The safety forces are not now under a percentage payment plan. They could reject such a plan in their negotiations and the members of this Union could be the only employees of the City with an unlimited upside on future premium increases. (3) The unrepresented employees of the City enjoy a more favorable benefit than the members of this Union. They only are required to pay \$20.00 per month toward family coverage and \$10.00 for single coverage, while the obligation of members when their contract expired was \$49.98/\$24.98. The City did not state that the unrepresented employees will be subject to a fixed

percentage of contributions in the future.

The City acknowledged that it is interested in treating its unrepresented employees in a different manner than its represented employees. It believes that it is unreasonable to compare the benefits of the two groups for purposes of collective bargaining. The unrepresented employees do not share many benefits of the union employees in the areas of job security such as the established grievance and arbitration procedures. Therefore, it is unreasonable to suggest that the economic benefits should be the same. Further, the City intends to insist upon obtaining a percentage contribution toward health insurance premiums from its safety forces at the next round of negotiations.

Evidence on employee contributions to health insurance premiums was presented from other cities in Ohio with populations similar to Forest Park, between 15,000 and 21,000. The evidence appears somewhat incomplete, but it establishes that many of these cities still pay 100% of the premiums. Others contain dollar amount limits, but a few appear to have percentage contributions. Cities in proximity to Forest Park of different sizes vary to the same degree. Blue Ash, Hamilton, Mason and Norwood pay 100% of the premiums. Middletown has a fixed dollar limit; Silverton has an employer payment of 90% for family premiums and Wyoming has a 98% payment for both single and family.

The City contends that other economic benefits are reduced in cities where the employer pays 100% of the premiums, but this fact is difficult to ascertain. Nevertheless, the City's proposal of a fixed percentage of 10% does not appear to be common or the norm in the region or throughout the state for cities of comparable size to Forest Park.

Considering the above evidence and the fact that the ten members have seemingly minimal influence or control over the ultimate plans or packages which will be purchased during the contract term, it is not prudent or reasonable to provide for an open ended percentage requirement in this case. Further, there is no persuasive evidence that the members do not share the conviction that costs should be contained where reasonable; and, there is no evidence of abusive, excessive, or improper use of medical services which has unreasonably contributed to the premium increases.

RECOMMENDATION.

Effective: March 1, 2001

The City shall pay the health insurance premiums for the employees except that the employee shall contribute and pay by payroll deduction \$25.00 per month toward the monthly premium for single coverage and \$50.00 per month toward family coverage until there becomes a change in the amount of premiums charged by the insurer in the health plans offered by the City. In the event the premiums are reduced as a result in a change in plans or coverage, the

employee shall pay the same percentage as the above figures relate to the total premiums charged as of March 1, 2001. In the event there is an increase in premiums, the employee shall pay 10% of any increase up to a maximum of \$32.00 per month for single coverage and \$64.00 per month for family coverage during the term of this Agreement.

ISSUE 2. APPENDIX I - SALARY SCHEDULE

The parties are in dispute as to when the first year's wage increases shall become effective. The Union proposes that the increases be retroactive to January 1, 2001 and the City proposes that the increases be retroactive only until April 1, 2001.

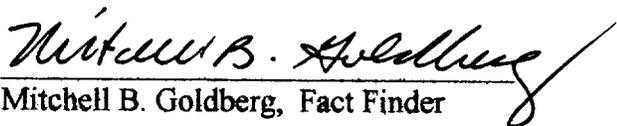
It is recognized that the City's position, if recommended, will effectively reduce the 3.5 % increase for the first year of the contract to a lesser percentage because the employees will only be receiving the increases for three quarters of the first year.

There was no evidence presented that the Union unfairly delayed the negotiations for this contract, nor was there any persuasive evidence requiring a finding that the first year's wage increases should not be paid for the entire year.

RECOMMENDATION.

The wage increases negotiated and agreed upon between the parties for the first year of the contract shall be paid retroactive to January 1, 2001.

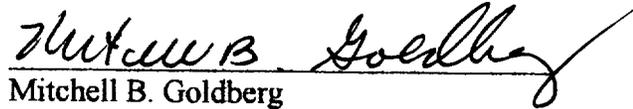
Date: May 29, 2001



Mitchell B. Goldberg, Fact Finder

CERTIFICATE OF SERVICE

This Report was mailed to SERB, 65 East State Street, 12th Floor, Columbus, Ohio 43215-4213; Troy H. Stapleton, Teamsters Local 100, 2100 Oak Road, Cincinnati, Ohio 45241-2583; and Paul R. Berninger, Esq., Wood & Lamping, LLP, 600 Vine Street, Suite 2500, Cincinnati, Ohio 45202-2409 by ordinary U.S. first class mail this 29th day of May, 2001.


Mitchell B. Goldberg